THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN) : (a) to (c) The Government announced a Special package of economic incentives on 07-01-2003 for promoting industrialization in the States of Uttaranchal and Himachal Pradesh. Under the package, various incentives like income tax exemption, excise exemption and Capital Investment Subsidy to new industrial units and existing industrial units on their substantial expansion have been provided. These concessions were announced keeping in view that the States of Uttaranchal and Himachal Pradesh are hilly, remote and have poor accessibility to markets and also have poor infrastructure. Other backward States like North Eastern States including Sikkim and Jammu and Kashmir have also been granted a similar package of incentives.

Export of rice and wheat

2988. SHRI N.K. PREMACHANDRAN : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the quantity of rice and wheat exported from India during 2003-04 and the countries to which it was exported;

(b) whether any irregularity on export brought to the notice of Government by the CAG and if so, the details thereof;

(c) whetehr any forged documents have been used in the dealing and what was the use of STC and MMTC in the export of food commodities; and

(d) whether Government conducted any inquirty into the matter and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN) : (a) Following is the quantity of wheat and rice exported during 2003-04.

Quantity in Metric Tonnes

Basmati-Rice	Non Basmati-Rice	Wheat
7,70,764	26,01,471	40,93,081

Major export destinations for Basmati rice were Saudi Arabia, Kuwait, UK, UAE, Yemen, USA, Italy, France, Belgium and Germany. Major export destinations for Non-Basmati rice were Bangladesh, Nigeria, South Africa, Saudi Arabia, Sri Lanka, UAE, Senegal, Somalia and Guinea. Major export destinations for wheat were Bangladesh, UAE, Sudan, Malaysia, Tanzania, Yemen, Vietnam, Sri Lanka, Oman and Philippines.

(b) Yes, Sir. C&AG of India in its Report No. 3 of 2004 had intimated that Food Corporation of India had suffered an avoidable loss of Rs. 133.13 crores on account of additional supply of rice as "broken allowance". The matter was examined and it was found that there was no irregularity in exports and the C&AG has been informed accordingly with the request to drop the para.

(c) and (d) The scheme for export of foodgrains was initially started with PSUs like STC & MMTC and later on opened to private exporters. There were certain cases where exporters were found to have used forged documents for export of wheat and rice. The Government have taken/ initiated corrective action in these cases against the errant exporters.

Deleting cashew from the list of Minor Forest Produce

2989. SHRI A. VIJAYARAGHAVAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether cashew has been deleted from the list of Minor Forest Produce *vide* public notice No. 4 dated April 27,2005;

(b) if so, the reasons for above deletion;

(c) whether the above deletion would have a negative impact on the competitiveness of Indian cashew in terms of value in the overseas market; and

(d) if so, whether steps will be taken to restore cashew in the Minor Forest Produce, so as to qualify it for benefits as per para 3.8.2 of ITC (HS) classification of export and import items?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN) (a) No, Sir. cashew was never a Minor Forest Produce.

(b) to (d) Do not arise.